REMARKS

This responds to the Office Action mailed on <u>April 4, 2007</u>.

No claims were amended, no claims were canceled, and no claims were added; as a result, claims 1-24 remain pending in this application.

Claim Objection for Double Patenting

Claim 23 was objected to under 37 C.F.R. 1.75 as being a substantial duplicate of claim 1. As stated in the Office action, it is proper to object to one claim as being a substantial duplicate of another claim after allowing one claim. It is submitted that Applicant will address such objection at the time when one of such claims is allowed, if another claim is a substantial duplicate of the allowed claim.

§103 Rejection of the Claims

Claims 1-24 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Reilly (U.S. 5,877,482).

In the background section, Reilly identifies the problem of card authentication being in that data encoded on a magnetic strip card can be readily generated from data transmitted to the computer system. Reilly explains that the problem irises because the card issuer has no proof that the transaction was originated on the basis of the physical card, because the transaction could have been generated from maliciously intercepted data contained in a previous transaction. (Reilly, 1: 49-55.)

Reilly proposes a solution where the part of the original card image that would have contained the card key is replaced by the product of a one way function containing at least one specific detail of the transaction and the card key. Thus, states Reilly, cards that are manufactured from intercepted traffic can be readily identified as such. (Reilly, 3: 13-19.) This approach may include the use of a PIN provided to a customer. (Reilly, 3: 19-21.)

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Reilly discloses performing PIN verification by either (i) decrypting the received PIN and comparing it to the stored PIN, or (ii) by encrypting the stored PIN and comparing it to the received encrypted PIN. (Reilly, 2: 46-64.) The PIN is encrypted using an encryption key. This *encryption key* is generated in Reilly for each transaction by using at least one specific detail of the transaction, such as the transaction amount. (Reilly, Abstract, 3: 9-13.) It is submitted that, while Reilly discloses *the use of the transaction amount in relation to an encryption key*, Reilly does not disclose or suggest that the customer Personal Identification Number (PIN) itself is in any way associated with an amount of any transaction for which the PIN is ever used.

Applicant would like to point out that the distinction between the approach in Reilly that uses transaction amount with respect to an encryption key, but in no way with respect to the PIN itself, has already been outlined in response to the Office action mailed on August 3, 2006. The language from the previous response is reproduced below.

In a preferred embodiment in Reilly, at least one specific detail of each transaction, preferably *the transaction value, is used as a second key when encrypting the PIN.* The specific detail is transmitted to the issuing body, and the issuing body uses the second key with the card key to decrypt the PIN. (Reilly, 3: 9-23.) Each one of the "encrypting" and "decrypting" is distinct from the "identifying." Specifically, a value used to encrypt the PIN or to decrypt the PIN is distinct from an access code to identify the user to a business entity. Thus, while Reilly discloses a transaction value being used as a second key when encrypting the PIN and that can be used by the card issuing body to decrypt the PIN, Reilly does not disclose or suggest **the access code "being to identify the user to a business entity" and "being reflected in an amount of value associated with the value transfer,"** as recited in claim 1. No additional reference has been cited in the Office action to show this feature.

(Response to the Office action mailed on August 3, 2006.)

In the Response to Arguments section, the Office action does not address the earlier assertion by Applicant that, in Reilly, a transaction value has no relationship to the PIN itself, but

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is merely used to generate an encryption key, and that operations of "encrypting" and "decrypting" are distinct from the operation of "identifying." Instead, the Office action refers to the Abstract in Reilly that describes using an amount of the transaction to produce *a unique PIN key*. It is stressed yet again that *a unique PIN key* in Reilly is *an encryption key* used to encrypt the PIN (Reilly, 3: 9-19), which is distinct from the PIN itself. It is also submitted that Reilly does not suggest that a unique PIN key is suitable for any purpose other than encrypting/decrypting the PIN. There is no indication in Reilly that a unique PIN *key* can be used as an access code. In contrast, claim 1 recites **an access code "being to identify the user to a business entity" and "being reflected in an amount of value associated with the value transfer."**

Because Reilly, whether considered separately or in combination with the Official Notice of an EFT terminal to produce a receipt for the value transfer, fails to disclose each and every element of claim 1, claim 1 and its dependent claims are patentable in view of the combination of Reilly and the Official Notice and should be allowed.

Claim 12 recites **the access code "being to identify the user to a business entity" and "being reflected in an amount of value associated with the value transfer."** Therefore, claim 12 and its dependent claims are patentable and should be allowed in view of the combination of Reilly and the Official Notice for at least the reasons articulated with respect to claim 1.

Claim 23 recites **"generating an access code ... utilizing an amount of money associated with money transfer transaction, the access code being to identify the user to a business entity."** Therefore, claim 12 and its dependent claims are patentable and should be allowed in view of the combination of Reilly and the Official Notice for at least the reasons articulated with respect to claim 1.

Claim 24 recites **the access code "being to identify the user to a business entity" and "being reflected in an amount of value associated with the value transfer."** Therefore, claim 12 and its dependent claims are patentable and should be allowed in view of the combination of Reilly and the Official Notice for at least the reasons articulated with respect to claim 1.

RESPONSE UNDER 37 CFR § 1.116 – EXPEDITED PROCEDURE
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Filing Date: November 20, 2000
Title: METHOD AND SYSTEM FOR DEALING WITH NON-PAYING BIDDERS RELATED TO NETWORK-BASED TRANSACTIONS

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RESERVATION OF RIGHTS

In the interest of clarity and brevity, Applicant may not have addressed every assertion made in the Office Action. Applicant's silence regarding any such assertion does not constitute any admission or acquiescence. Applicant reserves all rights not exercised in connection with this response, such as the right to challenge or rebut any tacit or explicit characterization of any reference or of any of the present claims, the right to challenge or rebut any asserted factual or legal basis of any of the rejections, the right to swear behind any cited reference such as provided under 37 C.F.R. § 1.131 or otherwise, or the right to assert co-ownership of any cited reference. Applicant does not admit that any of the cited references or any other references of record are relevant to the present claims, or that they constitute prior art. To the extent that any rejection or assertion is based upon the Examiner's personal knowledge, rather than any objective evidence of record as manifested by a cited prior art reference, Applicant timely objects to such reliance on Official Notice, and reserves all rights to request that the Examiner provide a reference or affidavit in support of such assertion, as required by MPEP § 2144.03. Applicant reserves all rights to pursue any cancelled claims in a subsequent patent application claiming the benefit of priority of the present patent application, and to request rejoinder of any withdrawn claim, as required by MPEP § 821.04.

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CONCLUSION

Applicants respectfully submit that the claims are in condition for allowance and notification to that effect is earnestly requested. The Examiner is invited to telephone Applicants' attorney at 408-278-4052 to facilitate prosecution of this application.

If necessary, please charge any additional fees or credit overpayment to Deposit Account No. 19-0743.

Respectfully submitted,

CHRISTIAN HOGL ET AL.

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Date ___August 6, 2007___   By _____/Elena Dreszer/____
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CERTIFICATE UNDER 37 CFR § 1.8: The undersigned hereby certifies that this correspondence is being filed using the USPTO's electronic filing system EFS-Web, and is addressed to: Mail Stop After Final, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450, on this _6_ day of August 2007.

Name: _Chandaaky M. Cannon_   Signature: _Chaleeskey Oran_